

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: November 8-9, 2006

Reference No.: 2.6a.(2)
Action Item

From: CINDY McKIM
Chief Financial Officer

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Subject: **FINANCIAL ALLOCATION FOR STATE-ADMINISTERED RAIL STIP PROJECTS**
RESOLUTION MFP-06-11

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the following resolution allocating \$906,000 of Public Transportation Account (PTA) funds from Capitalized Maintenance project (PPNO 2065) for additional capitalized maintenance work on Tunnel 26, which is on the portion of the Pacific Surfliner Route managed by the Southern California Regional Rail Authority (SCRRA).

ISSUE:

In March 2005, the Commission allocated \$9.5 million in State Transportation Improvement Program (STIP) funding for the Tunnel 26 Seismic Improvements project. The Tunnel 26 project is a seismic retrofit project to upgrade the structural capacity and condition of the tunnel lining. The tunnel was originally constructed in 1904 with a timber lining, and in 1922 a concrete lining was added. SCRRA conducted a seismic and structural evaluation of the tunnel that recommended rock anchors be installed on the sidewalls of the tunnel and grout be placed in the voids between the sidewalls and the tunnel crown. Once work started, the contractor determined that the grout quantities are more than twice the amount originally estimated, for an additional cost of \$2.5 million. This request for \$906,000 is to fund a portion of those costs, with SCRRA identifying local funds for the remainder.

Additional funds for the Tunnel 26 project is requested from the STIP "Capitalized Maintenance, all Three State Amtrak Routes" project (PPNO 2065). This allocation request is for SCRRA's portion of the capitalized maintenance project. The Tunnel 26 project is a capitalized maintenance project because it does not increase the capacity of the tunnel. Instead, it extends useful life of the tunnel, particularly in the event of an earthquake.

Tunnel 26 is used by 70 Pacific Surfliner, 80 Metrolink, 14 Amtrak Coast Starlight, and about 50 Union Pacific freight trains per week.

BACKGROUND:**STIP Capitalized Maintenance Project**

The 2006 STIP includes a new project for capitalized maintenance for all three State-supported Amtrak routes (Pacific Surfliner, San Joaquin, and Capitol Corridor). A total of \$6 million is programmed for this project: \$3 million in FY 2006-07 and \$3 million in FY 2007-08. This project recognizes that as a result of State funded capacity enhancement projects the owners of the rail right-of-way where these projects have been constructed have experienced increased maintenance costs. The purpose of the STIP project is to provide funding for high priority capitalized maintenance prior to these needs causing serious problems such as track closures or safety hazards.

The Capitalized Maintenance project (PPNO 2065) funds will be split equally between the three State-supported routes, with each route receiving \$2 million. Funding for the Pacific Surfliner route will then be divided between the private and commuter railroads using the route based on the portion of the Pacific Surfliner train miles operated on each route segment. This request is for SCRRA's total capitalized maintenance allotment. [North County Transit District (NCTD) received an allocation of \$612,000 in September 2006 for their total allotment on the route.]

Tunnel 26 Capitalized Maintenance Project

Tunnel 26 is on the border of Ventura and Los Angeles Counties in a seismically active area where there have been over 25 significant earthquakes of magnitude 6.5 or greater within 30 miles of the tunnel. It was originally constructed in 1904 with timber lining and then modified in 1922 to add a relatively thin (18 inches) concrete lining. However, voids including deteriorated timbers remained behind the concrete lining. The current Tunnel 26 project to fill the voids with cement grout and install rock bolts to secure the concrete tunnel lining to the surrounding rock will enhance the structural integrity of the 7,369-foot single track tunnel.

Tunnel 26 is located on the only rail line going north from Los Angeles up the coast. The rugged mountainous terrain makes a tunnel the only option for a rail line in this area. If service was disrupted on this line due to tunnel failure, there is no alternative rail line. This would force freight and passenger traffic onto the already fully utilized area highways and could cause major traffic disruptions in the entire region.

Reason for Cost Increase

Before the project started, in order to estimate project costs, probes of the voids behind the tunnel lining were made to estimate the amount of grout needed. Grouting started in July 2006, and grout quantities were found to be more than twice the amount estimated. The voids extend much further into the bedrock than anticipated and the timber behind the lining had deteriorated at a faster rate than anticipated. Thus, the cost increase is the result of costs that could not have been foreseen by anyone prior to the start of work. Cost increases on complex seismic retrofit projects are not uncommon, as it is often difficult to know the full extent of project work before retrofit commences.

The total amount of the costs increase is \$2.5 million. This allocation would provide \$906,000 of this amount and SCRRA will identify local funds for the remainder. It is reasonable that the cost increase be shared between SCRRA and the State as both Metrolink and Amtrak Pacific Surfliner trains use the tunnel.

Impact of Funding Delay

If the allocation is approved, the grouting can continue using the current contractor. At the current rate of grouting, the entire project would be completed by January 2007. Any delay would result in loss of the current contractor to other work. SCRRA would then have to re-bid the project, with the result being project delay, associated start-up costs, and most likely higher unit prices for grout. The current contractor is offering unit prices for the change-orders very close to the original bid price.

FINANCIAL RESOLUTION:

Resolved, that \$906,000 be allocated from the Budget Act of 2006, Budget Act Item 2660-302-0046, for one State-administered STIP rail project, as described on the attached vote list.

Attachment

2.6 Mass Transportation Financial Matters

Project # Allocation Amount Recipient RTPA/CTC District-County Legislative Districts	Project Title Location Project Description Project Funding	EA PPNO Program / Year Programmed: PA&ED PS&E R/W CONST	Budget Year Item # Program Code	Allocation Amount State Total Amount
2.6a.(2) State-Administered STIP Rail Projects		Resolution MFP-06-11		
1 \$906,000 Department of Transportation VCTC 75-Ventura Senate: 17,19 Assembly: 37	Capitalized Maintenance – Pacific Surfliner - SCRR Capitalized maintenance on Tunnel 26 of Pacific Surfliner route to make tunnel seismically safe. (Partial allocation from PPNO 2065 for SCRRRA's entire portion of the project. A balance of \$1,482,000 remains for FY 2006-07 and \$3,000,000 for FY 2007-08.) (Total project cost is \$12,000,000, including \$9.5 million originally allocated for the Tunnel 26 project under PPNO 75-2024.)	R965TB 75-2065B IIP / 06-07 \$0 \$0 \$0 \$906,000	2006-07 302-0046 30.20.020.720	\$906,000 \$906,000